NOTICE OF PREPARATION
ENVIRONMENTAL IMPACT REPORT

February 18, 2005

TO: State Clearinghouse
Responsible and Trustee Agencies
Interested Agencies and Parties

FROM: Sonoma County Water Agency
2150 West College Avenue
Santa Rosa, CA 95401

WATER SUPPLY, TRANSMISSION, AND RELIABILITY PROJECT

The Sonoma County Water Agency (Agency) is preparing an Environmental Impact Report (EIR) for the *Water Supply, Transmission, and Reliability Project*. The EIR will be prepared by the Agency in accordance with the provisions of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the Agency's "Procedures for the Implementation of CEQA." The Agency will be the lead agency pursuant to CEQA and will consider all comments from responsible and trustee agencies, property owners, and interested persons and parties regarding the scope and content of the environmental information to be included in the EIR.

SONOMA COUNTY WATER AGENCY

The Agency is a special district that was created by the California Legislature in 1949 and operates under the direction of a Board of Directors (Board), composed of the members of the Sonoma County Board of Supervisors. The law that created the Agency and defines its powers and duties gives it the authority to produce and furnish surface water and groundwater for beneficial uses, to control flood waters, to generate electricity, and to provide recreational facilities in connection with the Agency's facilities. Legislation enacted in 1994 added the treatment and disposal of wastewater to the Agency's powers and duties.

The Agency is the local sponsor for the two federal water supply and flood control reservoir projects in the Russian River watershed. The Agency releases water from Coyote Valley Dam (Lake Mendocino) and Warm Springs Dam (Lake Sonoma) for water supply purposes and to maintain required minimum streamflows in the Russian River and Dry Creek. The Agency holds water right permits from the State Water Resources Control Board that authorize the Agency to divert Russian River and Dry Creek flows and to re-divert[1] water stored and released from Lake Mendocino and Lake Sonoma. The Russian River watershed and the locations of Lake Sonoma and Lake Mendocino are shown on Figure 1.

The Agency is the primary provider of potable water to approximately 600,000 people in Sonoma and Marin Counties. The Agency's current water transmission service area is shown on Figure 1. Water is delivered, on a wholesale basis, to the Agency's primary water customers through the Agency's

[1] "Divert" refers to water diverted directly from streamflow into distribution systems or reservoirs. "Re-divert" refers to water that has been diverted to storage in a reservoir, then released and diverted again at a point downstream. Diversions and re-diversions by the Agency will be collectively referred to as "diversions" in this document.

transmission system. The primary water customers, collectively known as the water contractors, consist of the cities of Santa Rosa, Rohnert Park, Petaluma, Cotati, and Sonoma, and the North Marin, Valley of the Moon, and the Forestville water districts. The Agency supplies water to the water contractors under an agreement entitled "Eleventh Amended Agreement for Water Supply," which was originally executed in 1974 and most recently amended in 2001. The Agency also provides water via the transmission system to other customers such as the Marin Municipal Water District, the Town of Windsor, and local water companies. The water contractors and other Agency customers deliver water to customers through their own distribution systems.

The Agency's water transmission system includes diversion facilities at the Russian River and an aqueduct system comprised of pipelines, pumps, and storage tanks. The locations of the Agency's existing water transmission system facilities are shown on Figure 2.

BACKGROUND INFORMATION

On May 19, 1992, the Agency's Board, by Resolution No. 92-0716, directed the preparation of an EIR for the expansion of the Agency's water supply system with the objective of providing a safe, economical, and reliable water supply to meet the defined future needs in the Agency's service area. An EIR was prepared for the Water Supply and Transmission System Project (WSTSP). The WSTSP EIR was originally certified in November 1998, and the WSTSP was approved in December 1998.

After approval of the WSTSP, a lawsuit was filed challenging the adequacy of the WSTSP EIR. On May 16, 2003, the First Appellate District Court of Appeal issued a decision, modified by its June 13, 2003 order, in *Friends of the Eel River v. Sonoma County Water Agency*, which identified specific deficiencies in the WSTSP EIR, and remanded the matter to the Sonoma County Superior Court for further action. On December 18, 2003, the Sonoma County Superior Court entered a Judgment on Remand and issued a Writ of Mandate commanding the Agency to vacate certification of the WSTSP EIR, rescind approval of the WSTSP and prepare and certify a supplemental EIR to address the deficiencies identified by the Court of Appeal. The Writ of Mandate clarified that the Agency was not required to vacate its certification of the WSTSP EIR to the extent that the EIR related to certain specific project components that the Superior Court ruled could proceed.[2]

On April 6, 2004, the Agency's Board approved Resolution No. 04-0285 which vacated certain portions of the previous resolutions that certified the WSTSP EIR and approved the WSTSP. The Board also authorized and directed the Agency's General Manager/Chief Engineer to prepare a supplemental EIR to the WSTSP EIR to address the deficiencies identified by the Court of Appeal. Consistent with the Writ of Mandate, the resolution did not vacate certification of the WSTSP EIR for the specific project components that the Superior Court ruled could proceed.

In May 2004, the Agency released a Notice of Preparation (NOP) of Supplemental EIR for the WSTSP: Litigation, Project Updates, Changes in Circumstances and New Information. Based on comments received in response to the NOP of Supplemental EIR and events that have occurred since the WSTSP was approved in 1998, the Agency is issuing this new NOP. Rather than prepare a supplemental EIR as discussed in the May 2004 NOP, the Agency will prepare a new EIR that will address the deficiencies identified by the Court of Appeals decision and describe and analyze a project that will address the current circumstances facing the Agency and its customers' water supply. This new

[2] Specific project components that may proceed prior to the certification of a new EIR are Collector No. 6, Kawana Springs Tank No. 2, Eldridge-Madrone Pipeline, Wohler-Forestville Pipeline, and a portion of the Kawana-Ralphine Pipeline.

project is named the "Water Supply, Transmission, and Reliability Project" and will be referred to as the "Water Project." On November 9, 2004, the Agency's Board approved Resolution 04-1089 that directed the preparation of an EIR for the Water Project.

WATER SUPPLY, TRANSMISSION, AND RELIABILITY PROJECT (WATER PROJECT)

Water demands within the Agency's service area are currently approaching the limits of the Agency's water right permits and the physical limits of the transmission system. The Water Project is needed so that the Agency may release additional water stored in Lake Sonoma and expand the transmission system to meet increased future demands, to alleviate existing system constraints, and to improve existing and future system reliability. Without the Water Project, communities served by the Agency may not be able to provide water to meet the population growth identified in adopted general plans, and may eventually experience water shortages. In addition, portions of the Water Project may be currently needed to meet existing peak summer demands of the Agency's customers and to improve the security and reliability of the transmission system.

The Water Project would generally be located in Sonoma County, California. The Water Project would provide water to the water contractors and other customers in Sonoma County and portions of Marin County, California. The majority of physical environmental impacts of the Water Project would occur at Lake Sonoma, along Dry Creek downstream of Lake Sonoma/Warm Springs Dam, and along the mainstem of the Russian River downstream of the confluence with Dry Creek. Other project impacts would occur within the Agency's service area and at locations or along routes of transmission system and reliability facilities.

The Water Project would consist of separate components that together would meet the project objective of providing a safe, economical, and reliable water supply to meet the defined current and future water supply needs in the Agency's service area:

- Water Conservation Component: This component would expand the water conservation programs that are currently being implemented by the water contractors and the Agency to achieve additional water conservation savings through Best Management Practices (BMPs) adopted by the California Urban Water Conservation Council or other water conservation measures and methods. The amount of water savings appropriate and feasible will be identified as the Water Project description is further developed. The Water Conservation Component may also include the design, construction, operation, and maintenance of facilities for the water education program.
- Russian River Component: This component would increase the amounts of water released from Lake Sonoma and diverted from the Russian River to reliably meet defined current and future needs of Agency customers. Releases from Lake Sonoma would need to be increased up to approximately 26,000 AFY, increasing the total authorized amount of diversions from the current limit of 75,000 AFY on transmission system diversions to a new limit of approximately 101,000 AFY on all diversions from the lower Russian River under the Agency's water right permits. The amounts of water proposed to be released from storage in Lake Sonoma and to be diverted may change as the Water Project description is further developed.
- Transmission and Reliability Component: This component would increase the transmission system capacity and facilities to meet anticipated peak month deliveries to customers and increase the reliability of the existing and future transmission system. Transmission system capacity would need to be increased by approximately 57 million gallons per day (mgd), thereby increasing the

total transmission system capacity from 92 mgd to approximately 149 mgd.[4] Conceptual transmission facilities proposed to be constructed, operated, and maintained under the Water Project are shown on Figure 2. Transmission and Reliability Component Facilities may include Ranney-type collector wells, conventional wells, surface water diversion structures, infiltration ponds, water treatment facilities, pipelines, pumps, storage tanks, and other related appurtenances. Proposed transmission system capacity and facilities may change as the Water Project description is further developed.

The Water Project EIR will address the general impacts (or "program level") impacts of the Water Project, and some site-specific (or "project level") impacts of constructing water supply, transmission, and reliability facilities. The Water Project EIR will also discuss alternatives to the proposed project, and alternatives may be added based on input from the public and regulatory agencies during the NOP review period.

ISSUES TO BE ADDRESSED IN THE EIR

In accordance with CEQA, the Water Project EIR will address the potential environmental impacts associated with the Water Project. Specific areas of analysis will include: Aesthetics, Agricultural Resources, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Noise, Population and Housing, Public Services, Recreation, Transportation and Traffic, and Utilities and Service Systems. The EIR will also analyze potential cumulative impacts related to the Water Project. Areas of analysis may be changed based on input received during the NOP review period. Mitigation measures will be proposed to avoid or reduce such impacts, where reasonably feasible.

In accordance with the Writ of Mandate, the Water Project EIR will address the deficiencies in the WSTSP EIR identified by the Court of Appeals decision. These deficiencies primarily relate to Federal Energy Regulatory Commission (FERC) mandated reductions in water diversions into the Russian River Basin from the Eel River via the Pacific Gas and Electric Company's Potter Valley Project (PVP). Inadequacies in the WSTSP EIR will be corrected in the Water Project EIR by:

- Including, in the EIR's description of the environmental setting, a discussion about the PVP and its impacts on the Eel River fishery.
- Describing FERC's recent decision requiring reductions in PVP diversions from the Eel River into the Russian River Basin and the changes in hydrology in the Russian River Basin that will result from these reductions.
- Analyzing the cumulative impacts of the Water Project's additional diversions from the Russian River and the reductions in the PVP's diversions to the Russian River resulting from FERC's recent decision, and any alternatives available to the Agency to mitigate such impacts on the Russian River.

In addition, the Water Project EIR will:

1) Provide descriptions of the implementation of the portions of the WSTSP, including descriptions of the progress that has been made on water conservation programs, water supply agreements, and environmental documentation for transmission system facilities.
2) Include information about events related to the Agency's water supply that have occurred since the WSTSP EIR was approved, such as updated general plans, new listings of species under the federal

[4] The existing transmission system includes 20 mgd of standby capacity.

and state endangered species acts and progress on the Agency's ongoing Endangered Species Act compliance activities.

Information to be included in the Water Project EIR will also be based on input and comments received during the review period for this NOP. Decision-makers, responsible and trustee agencies under CEQA, property owners, and interested persons and parties will also have an opportunity to comment on the Draft EIR after it is published and circulated for public review.

PUBLIC COMMENT PERIOD FOR THIS NOTICE OF PREPARATION

Due to the time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 45 days after receipt of this notice. The public comment period will close at 5:00 p.m. on **April 11, 2005**. Please include a name, address, and telephone number of a contact person in your agency for all future correspondence on this subject. Please send your comments to:

Sonoma County Water Agency
Attn: Yvette O'Keefe, Environmental Specialist
PO Box 11628
Santa Rosa, CA 95406-1628

You may also submit comments electronically at the Agency's website:
www.sonomacountywater.org

OPEN HOUSE SCOPING MEETINGS

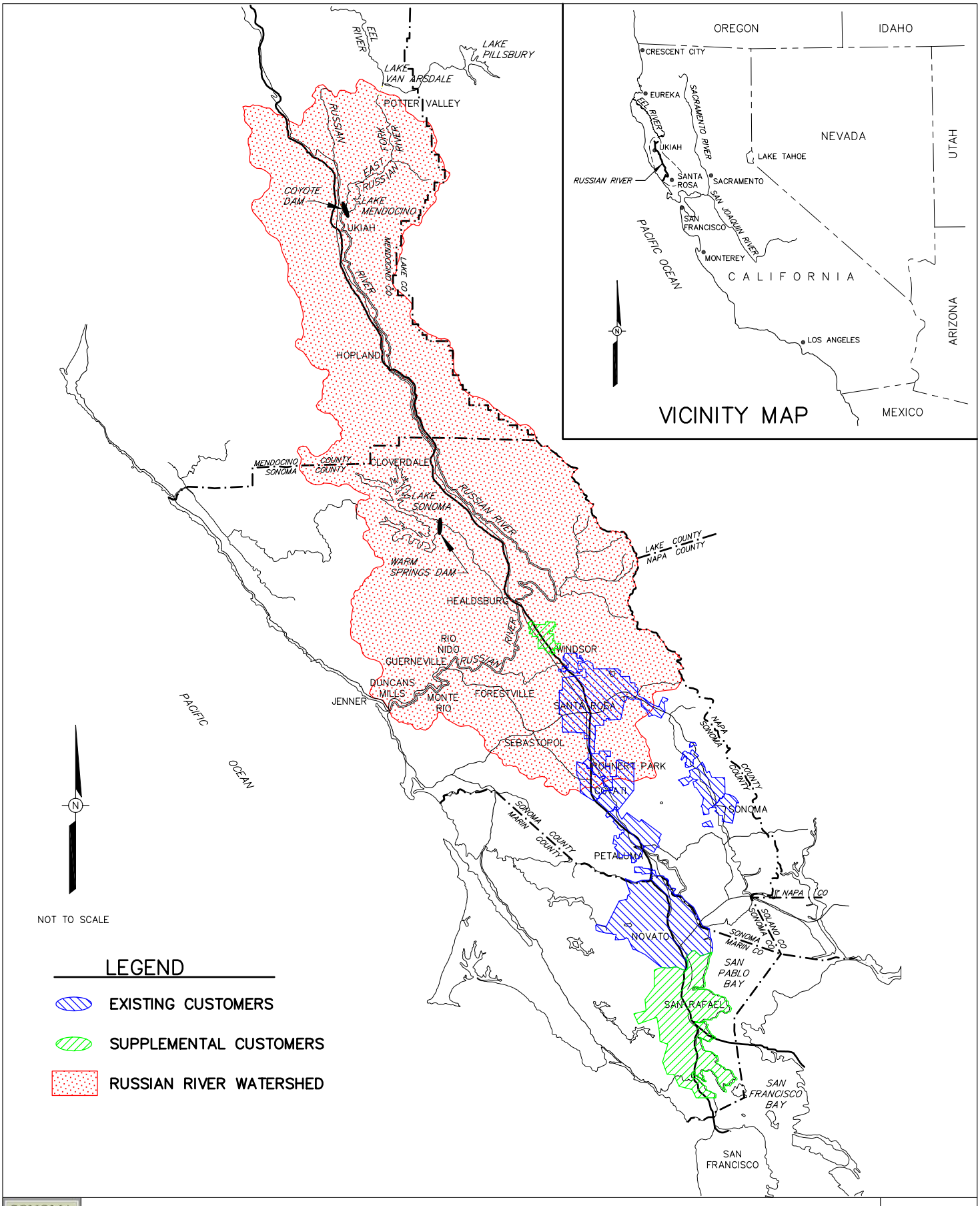
In order for the public and regulatory agencies to have an opportunity to ask questions and submit comments on the scope of the Water Project EIR, two Scoping Meetings will be held during the NOP review period. Both Scoping Meetings will use the same Open House format, and interested parties may attend either or both meetings. Agency staff will be available to answer questions and provide information about the project, but a formal presentation will not be made in order to allow interested parties to participate at anytime during the Open House. Written comment forms will be supplied for those who wish to submit written comments at the scoping meetings; written comments may also be submitted anytime during the NOP review period. The dates, times, and locations of the Scoping Meetings are listed below:

Tuesday, March 15, 2005
4:00 p.m. – 6:30 p.m.
Petaluma Community Center
320 North McDowell Boulevard, Petaluma
Meeting Rooms A - D

Thursday, March 24, 2005
4:00 p.m. – 6:30 p.m.
Sonoma County Water Agency
404 Aviation Boulevard, Santa Rosa
Redwood Conference Room

Documents or files related to the Water Project are available for review at the Agency's Administrative Office located at 404 Aviation Boulevard, Santa Rosa, California, 95401.

If you have any questions, or if you wish to update your information on our mailing list, please contact Yvette O'Keefe, Environmental Specialist, at (707) 547-1943 or Erica Hendricks Phelps, Environmental Resources Coordinator, at (707) 547-1934.

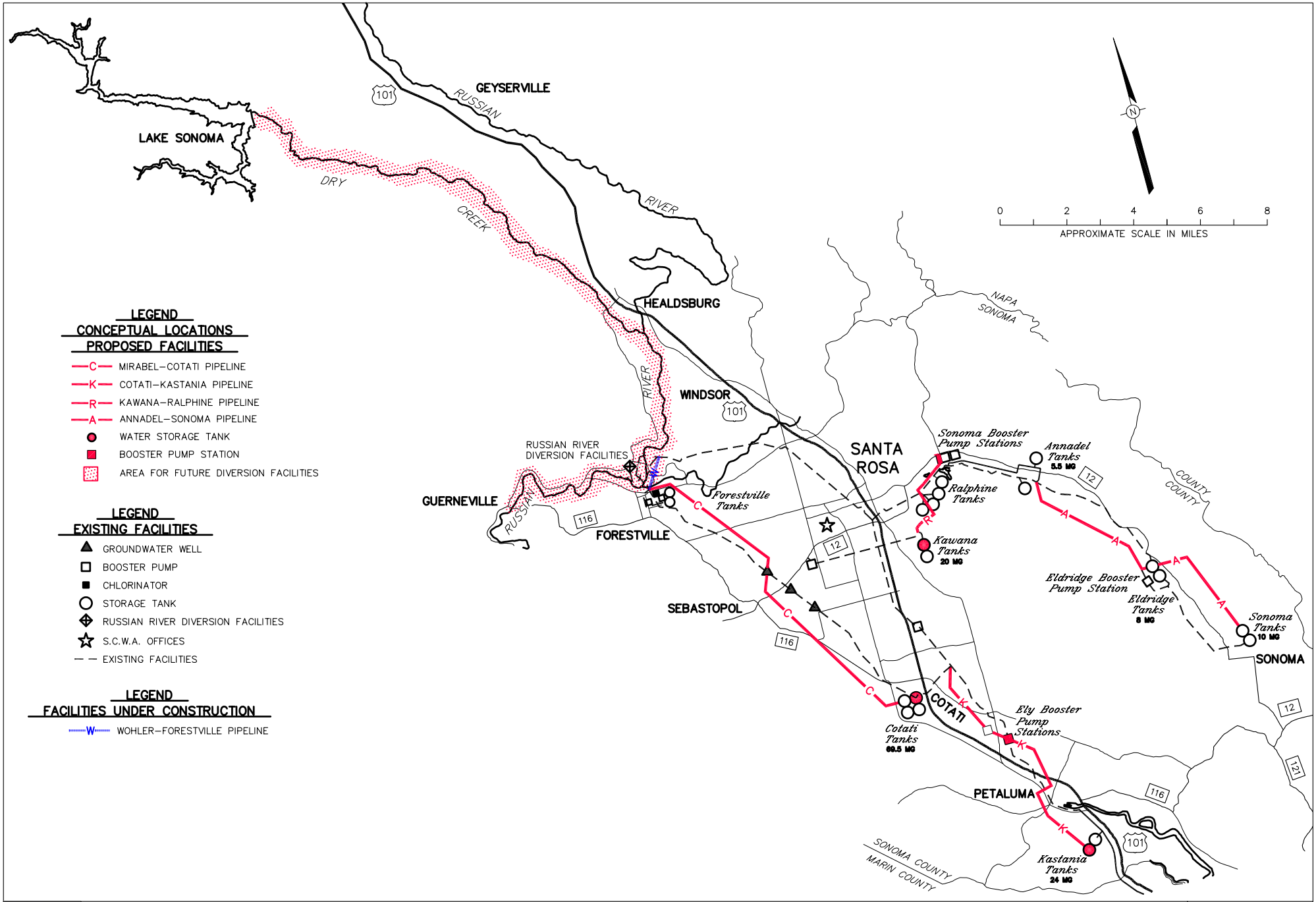


\WATER TRANSMISSION\PIPELINES\WATER SUPPLY\TRANSSYS AREA JANUARY 27, 2005

SONOMA COUNTY WATER AGENCY

Russian River Watershed Transmission System Customers Location Map

FIGURE 1



SONOMA COUNTY WATER AGENCY

Water Project
Sonoma County Water Agency
Transmission and Reliability Facilities
Existing and Proposed

FIGURE 2